

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6131**

**BILL NUMBER:** SB 143

**NOTE PREPARED:** Mar 17, 2008

**BILL AMENDED:** Mar 14, 2008

**SUBJECT:** Lead Poisoning Prevention.

**FIRST AUTHOR:** Sen. Gard

**FIRST SPONSOR:** Rep. C. Brown

**BILL STATUS:** Enrolled

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill specifies certain requirements for the State Department of Health (ISDH), local health departments, and retail establishments related to childhood lead poisoning prevention.

*State Department of Health Requirements:* The bill requires the ISDH to adopt rules to establish a lead-safe work practices training program for contractors, renovators, and remodelers.

*Laboratory Requirements:* This bill specifies the complete information that laboratories that examine blood for the presence of lead must report to the Indiana State Department of Health. It further provides that if a laboratory fails to provide the complete information after notification, the ISDH may assess a civil penalty against the laboratory in the amount of \$1,500 for each incomplete report submitted after the notification. The bill provides for certain exceptions.

The bill establishes the nonreverting Childhood Lead Poisoning Prevention Fund for outreach and prevention activities. The Fund consists of civil penalties assessed against laboratories, gifts, and appropriations.

*Lead-Safe Housing Advisory Council:* The bill establishes the 21-member Lead-Safe Housing Advisory Council to advise the ISDH with regard to housing-related lead poisoning prevention activities. The Council is required to meet quarterly and is to submit a preliminary report by November 1, 2008, and a final report no later than November 1, 2009, with specified recommendations to the Governor and the Legislative Council. The Lead-Safe Housing Advisory Council is to be staffed by the ISDH.

*Retail Establishment Requirements:* The bill specifies certain requirements for retail establishments that sell paint or painting products or certain consumer products.

*Study Issues for 2008 Interim:* The bill requires an interim study committee to study issues concerning requirements for: (1) the Division of Family Resources; (2) child care providers; and (3) children served by childcare providers; related to childhood lead poisoning prevention.

(The introduced version of this bill was prepared by the Health Finance Commission.)

**Effective Date:** Upon passage; July 1, 2008.

**Explanation of State Expenditures:** *Summary:* The State Department of Health has estimated that one-half full-time equivalent (FTE) would be necessary to implement the provisions of the bill applicable to ISDH. The total ISDH costs associated with the Lead-Safe Housing Advisory Council, are estimated to be \$39,900.

**Background and Additional Details:**

*ISDH Training Program for Contractors, Renovators, and Remodelers:* The Department of Environmental Management currently requires training for licensure requirements under its Lead-based Paint Activities Program. IDEM does not conduct lead-safe work practices training; it has established by rule the requirements for training that is conducted by outside parties. Under a memorandum of understanding (MOU) with IDEM effective October 1, 2007, ISDH has taken the responsibility to implement and enforce state and federal regulations concerning lead-based paint. The cost of this provision will depend on the extent to which the ISDH adopts the training requirements currently in place in the IDEM rules. IDEM reports current licenses for 12 contractors, 146 inspectors, 217 licensed risk assessors, 36 workers, 67 supervisors, 2 project designers, and 16 lead clearance examiners. License fees are \$150, renewable every three years. IDEM has additional fees for other activities in the program such as training course approvals.

*ISDH Oversight of Retail Establishment Requirements:* The bill also specifies requirements that must be met for a person to distribute, sell, or offer to sell an item intended for use for a child or an item that may be reasonably expected to be accessible to a child less than 7 years old. The bill specifies that the ISDH may seize an item sold, offered for sale, or distributed in violation of the provision.

*Lead-Safe Housing Advisory Council:* The bill is silent with regard to payment for travel expenses of the members of the Council who are not state employees. The Council is required by November 1, 2008, to submit its preliminary recommendations to the Governor and the Legislative Council; final recommendations are due by November 1, 2009. The ISDH is required to provide administrative and logistical support as well as staff for the Council. ISDH has estimated one-half of an FTE would be necessary to staff the Council and prepare the report; the cost is projected to be \$39,900.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) existing staff and resources not currently being used to capacity; (2) existing staff and resources currently being used in another program; (3) authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) funds that, otherwise, would be reverted; or (5) new appropriations. In FY 2007, the Department of Health administration account reverted \$4,298,583 to the General Fund. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

The ISDH administrative appropriations were made from the General Fund and the dedicated Tobacco Master Settlement Agreement Fund for FY 2008 and from the General Fund for FY 2009.

*Study Issues for 2008 Interim:* The bill also requires the Legislative Council to assign to a study committee during the 2008 interim the responsibility to examine issues concerning the testing of childcare facilities built before 1978 for lead risks and the blood lead testing of children served in regulated child care. If these issues are assigned to an existing study committee, there should be no additional expenditures required. If a new study committee is established, Legislative Council resolutions in the past have established budgets for interim study committees in the amount of \$9,500 per interim for committees with fewer than 16 members.

**Explanation of State Revenues:** *ISDH Civil Penalties:* The bill provides that if a laboratory fails to provide the complete information after notification, the ISDH may assess a civil penalty against the laboratory in the amount of \$1,500 for each incomplete report submitted after the notification. Civil penalties assessed under this provision are to be deposited in the Childhood Lead Poisoning Prevention Fund. Revenue realized would depend on individual circumstances but is likely be minimal.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** ISDH; Family and Social Services Administration; IDEM.

**Local Agencies Affected:** Local health departments.

**Information Sources:** ISDH; IDEM; Bureau of Child Care; Federal Housing and Urban Development Income Limits for FFY 2007 at: <http://www.huduser.org/datasets/il/il2007/2007summary.odt>; and *Indiana Childhood Lead Poisoning Prevention Program, Report to the Legislature for Calendar Year 2006*, ISDH, March 30, 2007.

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